Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

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PAGE 01 STATE 246560
ORIGIN STR-05

INFO OCT-01 ISO-00 STRE-00 SS-15 SP-02 EB-08 EUR-12
INR-07 NSCE-00 INRE-00 SSO-00 /050 R

DRAFTED BY STR:GFEKETEKUTY:TI
APPROVED BY STR:RSTRAUSS
ALBREIGHT, EUR/RPE
HORMATS, EB (SUBS)
BARRACLOUGH, EB/TP
----------122966 140425Z /14-S
O 140200Z OCT 77
FM SECSTATE WASHDC
TO AMEMBASSY BONN IMMEDIATE
INFO USMISSION GENEVA IMMEDIATE
AMEMBASSY LONDON
AMEMBASSY BRUSSELS
AMEMBASSY PARIS

C O N F I D E N T I A L STATE 246560

FOR: AMBASSADOR STOESSEL FROM AMBASSADOR STRAUSS

E.O. 11652: N/A

TAGS: ETRD, MTN, EEC

SUBJECT: THE TARIFF WORKING HYPOTHESIS

REFERENCE: (A) BRUSSELLS 13876

1. AS PER REF (A), WOULD SUGGEST YOU DELIVER THE FOLLOWING PERSONAL LETTER FROM AMBASSADOR STRAUSS TO CHANCELLOR SCHMIDT ASAP.

2. BEGIN TEXT:

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DEAR MR. CHANCELLOR:

DURING MY RECENT VISIT IN BONN, WE HAD AN OPPORTUNITY TO DISCUSS OUR SHARED INTEREST IN THE ACHIEVEMENT OF A SIGNIFICANT LIBERALIZATION OF TRADE IN THE MULTILATERAL TRADE NEGOTIATIONS. AS I MENTIONED TO YOU IN MY LETTER OF OCTOBER 6, THE PRESIDENT IS MOST APPRECIATIVE OF YOUR STRONG SUPPORT

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AND VERY MUCH VALUES YOUR LEADERSHIP ON THIS ISSUE IN
EUROPE.

I UNDERSTAND THAT NEXT TUESDAY, THE COUNCIL OF MINISTERS OF
THE EUROPEAN COMMUNITIES WILL REVIEW THE TARIFF PLAN THAT
HAS EMERGED FROM AN EXTENSIVE DIALOGUE BETWEEN THE UNITED
STATES AND THE EUROPEAN COMMUNITIES. I WOULD HOPE THAT WE
CAN COUNT ON GERMAN LEADERSHIP AT THAT MEETING TO ASSURE
THAT WE CAN PROCEED IN THE MULTILATERAL TRADE NEGOTIATIONS
ON THE BASIS OF THAT PLAN, WHICH I UNDERSTAND IS CONSISTENT
WITH THE COMMUNITY MANDATE. IN THIS CONNECTION, YOU MIGHT
ALSO WANT TO USE YOUR CONSIDERABLE PERSONAL INFLUENCE IN
CONVEYING TO PRIME MINISTER BARRE AND CHANCELLOR CALLAGHAN,
DURING THEIR UPCOMING VISITS WITH YOU, THE DESIRABILITY OF
A POSITIVE OUTCOME TO THE DISCUSSIONS IN THE COUNCIL.

I KNOW YOU SHARE PRESIDENT CARTER'S VIEW THAT YOU BOTH HAVE
AN OBLIGATION TO LOOK BEYOND IMMEDIATE ECONOMIC PROBLEMS TO
REINFORCE THE BASIS FOR A CONTINUED EXPANSION OF TRADE OVER
THE COMING DECADE. THE GROWTH OF PROTECTIONIST PRESSURES
THROUGHOUT THE WORLD MAKES IT ALL THE MORE NECESSARY FOR US
TO REASSURE THE BUSINESS COMMUNITY THAT THEY CAN PLAN THEIR
INVESTMENTS ON THE BASIS OF EXPANDED TRADE. IT IS, THERE-
FORE, ESSENTIAL THAT WE ALLOW WORK IN THE MULTILATERAL
TRADE NEGOTIATIONS TO GO FORWARD PROMPTLY ON THE BASIS OF
THE TEN YEAR PROGRAM OF LIBERALIZATION THAT WE HAVE WORKED
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OUT IN CONSULTATIONS WITH THE COMMISSION OF THE EUROPEAN
COMMUNITIES.

YOU MIGHT WANT TO MENTION TO YOUR COLLEAGUES THAT WE HAVE
MADE EVERY EFFORT TO BE SENSITIVE TO CURRENT POLITICAL
REALITIES. I WOULD LIKE TO MENTION IN THIS REGARD THE
ABSENCE OF A BINDING COMMITMENT WHICH RESULTS FROM THE
ADOPTION OF THE TERM "WORKING HYPOTHESIS", THE FLEXIBILITY
WHICH RESULTS FROM POSTPONEMENT OF A DECISION ON STAGING
AND ADOPTION OF A BAND CONCEPT, THE POLITICAL REALISM THAT
IS INTRODUCED BY THE LINK TO RULES FOR THE NON-DISRUPTIVE
GROWTH OF IMPORTS, AND THE BROADER RECIPROCITY THAT CAN BE
EXPECTED BY LINKING FINAL DECISION ON TARIFF CUTS TO
PROGRESS IN DEALING WITH NON-TARIFF BARRIERS AND SAFEGUARDS.

ROBERT S. STRAUSS
' SPECIAL REPRESENTATIVE
FOR TRADE NEGOTIATIONS

END TEXT VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXT, TRADE AGREEMENTS, TARIFFS, DIPLOMATIC COMMUNICATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 14-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Errors: N/A
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Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
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Line Count: 114
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Litigation Codes:
Litigation History:
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Retention: 0
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Review Release Date: n/a
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SAS ID: 912814
Secure: OPEN
Status: NATIVE
Subject: THE TARIFF WORKING HYPOTHESIS
TAGS: ETRD, US, GE, EEC, MTN
To: BONN
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/18d9c02e-c288-dd11-92da-001cc4696bcc
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